



Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, Virginia 23219

www.dmas.state.va.us

MEDICAID MEMO

TO: All School Divisions, Rehabilitation Agencies Enrolled With DMAS providers participating in the Virginia Medical Assistance Program, Managed Care Organizations providing services to Virginia Medicaid recipients, and holders of the *School Division* manual

FROM: Patrick W. Finnerty, Director
Department of Medical Assistance Services

MEMO Special
DATE 5/21/2002

SUBJECT: Clarification of DMAS Reimbursement of School-Based Services

The purpose of this memorandum is to clarify Department of Medical Assistance Services' (DMAS) policy on reimbursement of school-based services. The effective date of this clarification is July 1, 2002.

School-based services are defined under the DMAS school health services regulations. The services are occupational, physical and speech therapies; skilled nursing; and psychiatric/psychological services as outlined in the Individualized Education Plan (IEP) and rendered to children who qualify under Part B of the federal Individuals with Disabilities Education Act. DMAS also covers school-based early and periodic, screening, diagnosis, and treatment (EPSDT) screenings for the general Medicaid student population when billed by the school division. Medicaid school-based services are to be rendered by (1) employees of the school divisions or (2) providers that contract directly with school divisions. In each case, the services are to be billed by the school divisions using the school Medicaid ID number assigned by Medicaid.

In order to receive DMAS reimbursement for Medicaid school-based services, (1) the services must meet Medicaid medical necessity criteria, (2) the school division must be enrolled with DMAS as a provider, and (3) the claims for services must be billed to DMAS by the school division providing the service (whether directly by the school division or under contract) using the school division's Medicaid provider number.

Please note that DMAS will not directly reimburse contractors of school divisions for Medicaid school-based services, as the school division is responsible for payments to providers with whom the school division negotiates and contracts for such services. Consistent therewith, organizations other than school divisions enrolled with DMAS are not to bill DMAS for school-based services.

Medicaid school-based services are carved out from Virginia's Family Access to Medical Insurance Security (FAMIS) and Medallion II programs. Claims for school-based services for students enrolled with a Managed Care Organization under contract to DMAS (Medallion II or FAMIS) must be submitted by the school division directly to DMAS. Therefore, DMAS will only reimburse the school division

directly for those covered school-based services for these children. The school-based EPSDT and psychiatric/psychological services are not reimbursable under the FAMIS program.

In order for the child's physician to coordinate care for the child, information on the Medicaid covered school-based services rendered to a child is to be promptly shared with the child's primary care physician. This is applicable whether the child is enrolled in MEDALLION (DMAS' primary care case management program), Medallion II (DMAS' mandatory managed care program) or FAMIS. The information sharing is important even when results are normal.

Additional information will be available in the DMAS provider manuals.

COPIES OF MEDICAID MEMORANDA AND PROVIDER MANUALS

DMAS publishes searchable and printable copies of its provider manuals and Medicaid memoranda on the Internet. Please visit the DMAS website at www.dmas.state.va.us. Refer to the Provider Column to find Medicaid and SLH provider manuals or click on "Medicaid Memos to Providers" to see Medicaid memoranda. The Internet is the fastest way to receive provider information.

"HELPLINE"

The "HELPLINE" is available Monday through Friday from 8:30 a.m. to 4:30 p.m., except State holidays, to answer questions. The "HELPLINE" numbers are:

786-6273	Richmond area
1-800-552-8627	All other areas

Please remember that the "HELPLINE" is for provider use only.